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TAGS: [PGOV](#) [PINR](#) [PREL](#) [TW](#)

SUBJECT: SOONG'S WEAKENING GRIP OVER THE PFP

REF: A. TAIPEI 00344

- [1](#)B. TAIPEI 00773
- [1](#)C. TAIPEI 01229
- [1](#)D. 2003 TAIPEI 03480

Classified By: AIT Director Douglas Paal, Reason(s): 1.4 (B/D)

[1](#)1. (C) Summary: PFP Chairman James Soong's attempts to carve out an independent political niche for himself in Taiwan may be under threat from growing disunity within his party. The February 24 meeting between Soong and President Chen Shui-bian may have prolonged Soong's political survival but the PFP-DPP cohabitation arrangement has also driven a wedge between the PFP and KMT, factionalized the PFP, and raised questions about whether Soong is actually in charge of the party he founded after his 2000 presidential bid. This factor could limit Soong's ability to deliver on any promises he makes to the DPP over major legislation, including the special defense procurement budget. End Summary.

End of KFP

[1](#)2. (C) Since the December 2004 LY election, People First Party (PFP) Chairman James Soong has flirted with the DPP as a means of maximizing the PFP's influence within its Pan-Blue coalition with the KMT and to prevent absorption of the PFP into the KMT. Soong's machinations have thus far produced mixed results. On the one hand, Soong's February 24 cohabitation arrangement with President Chen Shui-bian dashed KMT hopes for a post-election KMT-PFP merger. Both KMT and PFP officials tell AIT that a merger, once thought virtually inevitable by Pan-Blue supporters, is now out of the question. Local media now use the term "Pan-Blue" only for the KMT and New Party, once again describing political alignment in Taiwan as Green, Blue, and Orange camps, just as it did in 2003 before the KMT-PFP alliance. Since the LY election, the term "kuo-ch'in," (an amalgamation of Chinese names of KMT and PFP) that was frequently used in the immediate aftermath of the 2004 presidential election has virtually vanished from Taiwan's political lexicon.

Disunity within the PFP

[1](#)3. (C) James Soong's success in preventing the KMT from swallowing the PFP may have cost him control of his own once highly disciplined party. While Soong managed to contain discontent over the PFP selection of its LY Deputy Speaker nominee in February (Ref A), his position within the PFP appears to be weakening with each passing month. He still faces major fallout from his February 24 meeting with President Chen (Ref B). PFP LY members pointedly rejected Soong's nominee for party caucus leader just days after the Chen-Soong meeting. The same divisions emerged over PFP participation in the Pan-Blue March 19 rally (Ref C). Both episodes revealed a three-way, perhaps even four-way, split within the PFP, with Soong holding sway over only one of these factions. These intra-party divisions have checked Soong's maneuvering on legislation, including the special defense procurement budget and the party leadership's ability to enforce discipline on decisions taken by Soong on a range of issues.

Soong's Entourage

[1](#)4. (C) Of the various PFP factions, the one faction Soong still can count on is a group of diehard loyalists that includes Policy Chief Vincent Chang (Hsien-yao), Legislator Daniel Hwang (Yih-jiau), and former International Affairs Director Raymond Wu (though Wu has been on the verge of accepting positions in the DPP government several times). There is also a subgroup of dependable lieutenants who are not part of Soong's inner circle but generally follow Soong's leadership wherever he goes, notably LY Deputy Speaker Chung Rong-chi and Acting Secretary General Chin Ching-sheng. Daniel Hwang remarked to AIT that even though this latter group "is not close to Soong, they implement Soong's instructions faithfully and that is good enough." Soong recruited politicians like Chung and former LY Speaker Liu

Sung-pan (now a fugitive of the Taiwan law, at large in the United States) in order to bring government and political experience into the PFP. Most of these individuals were former KMT members who had been marginalized by the current KMT leadership. They gravitated to Soong in 2000 hoping that he would win the presidency and appoint them to high-level positions. Since their political careers are inextricably tied to Soong's, they are likely to remain faithful to him. PFP Vice Chairman Chang Chau-hsiung is in a category of his own. Despite being ethnic Taiwanese in the Mainlander-dominated PFP and his lack of any discernible ideology, Chang served as Soong's running mate in 2000 and remains a loyal deputy.

LY Caucus

15. (C) The PFP LY caucus represents a second independent center of power within the party. In early March, PFP LY members elected outspoken PFP Legislator Lee Yong-ping as their leader, rejecting Soong's loyalist nominee, Lee Hung-chun. Lee Yong-ping had been a leader of a group of Pan-Blue "young Turks" that had forced the Pan-Blue leadership to reverse its positions on referenda and constitutional revisions during the 2004 presidential election campaign. Soong reportedly disliked the tactics espoused by Lee and her cohorts and pointedly marginalized them after he regained control over the Pan-Blue position in the final months of the campaign (Ref D). The LY Caucus rebellion was directed both at Soong personally and the leadership style of the previous PFP Caucus Leader, Liu Wen-hsiung. Liu often served as the enforcer, which has allowed Soong to avoid direct confrontation with his party subordinates. PFP Legislator Sun Ta-chien told AIT that he and his colleagues would not stand for another strongman Caucus Leader like Liu, who simply issued orders without consulting his colleagues.

Looking Out for Number One

16. (C) A third group is an ideologically diverse group of electoral climbers. Since Summer 2004, KMT insiders, including LY President and KMT Vice Chairman Wang Jin-pyng, have been telling AIT that a group of fifteen PFP legislators were preparing to rejoin the KMT. The members of this group have nothing particular in common with each other and are generally regarded with suspicion by the rest of the PFP because their dissatisfaction with Soong appeared to be motivated purely by self-interest rather than ideology. Political insiders expect many of these PFP legislators planning to run in the year-end mayoral and magistrate elections to try to run under the KMT banner. PFP Legislator Sun Ta-chien, who is considering a run for Taoyuan County Magistrate, told AIT that many of his supporters are KMT members, suggesting that his long-term interests may lie in that direction. PFP Legislator Lee Ching-an, a likely candidate for Taipei City Mayor, has been among the most outspoken critics of Soong's relationship with the DPP, while her brother, PFP Legislator Lee Ching-hua has been even harsher in his criticisms (Note: Their father, Lee Huan, has stayed with the KMT as an elder. End note). Former Caucus leader Liu Wen-hsiung, planning to run for Keelung City Mayor, had earlier also been rumored to be considering a switch to the KMT but has apparently realigned himself with Soong after the KMT rejected him as a candidate.

17. (C) One of the most notable recent turnarounds in Taiwan politics has been PFP Legislator Chou Hsi-wei, whose aggressive public persona came to symbolize the PFP in the minds of voters. Many observers now, however, expect Chou to join the KMT in order to secure its nomination for Taipei County Magistrate. Shortly after LY election, Chou began to criticize Soong and his party members. Chou has complained bitterly to AIT that Soong did not provide adequate leadership in the LY election and characterized his PFP colleagues as "backbiting and jealous." His colleagues have returned the favor by spreading rumors that Chou has "been begging for a job" from the DPP government.

Rank and File: Dazed and Confused

18. (C) The fourth group consists of the 150 lesser-known party officials in the Taipei headquarters and county field offices. These individuals do not necessarily diverge from Soong or the first three groups ideologically nor do they struggle for their own platforms. As the other groups quarrel amongst themselves, however, members of this group are becoming increasingly disenchanted with both Soong and the party leadership, and have emerged as an additional drag on Soong's flexibility. PFP Deputy Public Affairs Director Liao Wen-chang, who is representative of this otherwise anonymous group, told AIT that he and his fellow party officials were "confused about everything." Liao said that he questioned Soong's leadership and that he feared that the

PFP is about to dissolve. Moreover, Liao said that he feels so much despair that he now preferred to stay away from party affairs as much as possible.

Soong Tries to Rally the Troops

19. (C) Soong loyalists acknowledge that the Chairman's recent contacts with the DPP have threatened PFP unity. However, PFP Legislator Daniel Hwang insisted to AIT that Soong had made progress in convincing his supporters of the wisdom of his leadership. Prior to the Chen-Soong meeting, Hwang said, about eighty percent of the PFP LY members supported Soong's action, while the other twenty percent had reservations. Hwang explained that Soong had spent several hours pleading with the dissenters, promising there would be no trade offs and that no one from the PFP would accept any of the five positions offered by the DPP government. Despite Soong's efforts, PFP Legislator Sun Ta-chien was not convinced. Sun told AIT that more than twenty percent of the PFP LY members still oppose the meeting and that many are unhappy with Soong for going ahead with the meeting over their objections. Asserting that PFP and DPP have fundamentally different ideologies, Sun told AIT that he sees no ground for cooperation between the two parties. Sun said that he would continue to oppose the DPP on the special defense procurement budget, the Control Yuan nomination list, and the March 19 Truth Commission. In addition, he stated that the "1992 Consensus" (the so-called "one China, different interpretations" formula espoused by the KMT) was the centerpiece of the Pan-Blue cross-Strait policy and that he had publicly criticized the Chen-Soong joint statement for omitting reference to it. Sun told AIT that he had heard that Soong said, "If Sun Ta-chien disagrees with me so much then let him be PFP Chairman."

Comment: Marching to a Different Drummer

10. (C) Soong's cooperation with the DPP has succeeded in prolonging his own personal political career, though it is not clear for how long. Had he not used this ploy to reposition his PFP outside the Pan-Blue alliance, it is doubtful that the party could have remained a viable independent political force. However, Soong's dealings with the DPP go against the political grain of the PFP's largely Pan-Blue supporters and will likely not be sustainable for long. The December local magistrate/mayor elections will present the PFP with a clear choice -- work with the KMT to nominate a joint Pan-Blue ticket, which enables PFP candidates to appeal to their natural Blue bases, or see the DPP expand its power at the expense of a divided opposition. PFP politicians, especially those intending to run in December, are clearly more attuned to this political reality than Soong. His top priority is remaining in the political limelight, reportedly with visions of again running for President in 2008. This interest gap between Soong and his party raises doubts about how much he will be able to deliver in policy concessions to fulfill his promises to President Chen and the DPP government. Adding to his woes, Soong's former principal fund raiser told the AIT Director that he was forced to separate himself from Soong and the PFP due to repeated audits of his firm by Finance Ministry officials. PAAL